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STATE FOR NEA/ARP, EEB/TPP/ATT/ATP  
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DUBAI FOR ATO DWILLIAMS

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SUBJECT: AGRICULTURE MINISTRY GRAPPLES WITH WATER AND  
DISEASE CONCERNS

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Summary  
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¶1. The Minister of Agriculture and Fisheries identified water scarcity and disease control as top priorities for the Ministry in efforts to sustain employment in these historically important sectors. The Minister further expressed interest in hosting a research facility that was initially destined for Iraq. Action is requested in paragraph 10. End Summary.

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Agriculture Important to Economy  
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¶2. On February 19, the Ambassador reviewed Omani government efforts to promote sustainable agricultural and fisheries programs with Agriculture and Fisheries Minister Sheikh Salim bin Hilal al-Khalili. Khalili noted that historically, agriculture has been an important component of the Omani economy. Until the late 1960s, the agricultural and fisheries sectors dominated Omani production figures, especially in the area of date production. These sectors still are of importance in terms of employment and tradition, though they make up only 2.6% of current GDP figures. Khalili remarked that approximately 250,000 families depend on agriculture and fisheries for their livelihood, representing 80% of Oman's population.

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Agriculture on the Sultan's Mind  
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¶3. For this reason, Khalili stated that agricultural reform has played a prominent role in the Sultan's current "Meet the People" tour. During a recent three-day symposium held in an interior town of Oman, the Sultan urged sector leaders to modernize production techniques, halt the sale of agricultural fields, and reverse the trend of young Omanis leaving farms for work in the urban sector. He declared, "We are not talking about an expansion in agriculture areas, but rather about preserving what we already have, about proper productivity, rationalization of water resources and the need to avoid damaging the soil by excessive usage of chemical fertilizers."

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Water Use Top Priority  
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¶ 14. Khalili noted that, as the Sultan emphasized in his address, the key challenge facing the Ministry is the rationalization of water use for agricultural production. Currently, 90% of freshwater consumption in Oman is devoted to this sector. Increasing salinity of the groundwater in the Batinah region has forced the government to consider other alternatives. For example, last year the Ministry called for the transfer of green fodder cultivation from the Batinah region to the Nejd region of the Dhofar governorate, which holds an estimated five billion cubic meters of water. The Ministry is encouraging the production of low-water use crops in the fodder's place.

¶ 15. Khalili noted that the Ministry has established a committee, consisting of members from the Ministries of Regional Municipalities, Environment, and Water Resources, Manpower, Housing and Water, and National Economy, to review current water usage in agriculture and establish benchmarks for the future use. Echoing the Sultan's remarks, Khalili said that the Ministry was not looking to expand water use for agricultural purposes, but to rationalize what was already available. "The value of water is very high," stated Khalili, "we must be very careful in evaluating the area of agricultural reserves."

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Weak Pest Control Bugs Oman

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¶ 16. In addition to water conservation, Khalili commented that disease control was another top priority. Khalili was discouraged about the lack of cooperation with the United Arab Emirates in controlling diseases in the border areas of

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Dibba and Buraimi. He stated that the UAE allows the importation of horticultural products without proper inspection, which poses problems for Oman. (Note: Oman places such products in quarantine before entering Oman. End note.) He resigned himself to the fact that the Emirati Ministry of Agriculture did not place a high priority on pest control, noting that his overtures to proceed jointly on pest control efforts were falling on deaf ears.

¶ 17. To assist in disease management efforts, Khalili raised the possibility of the U.S. government temporarily establishing a research lab in Oman that was originally destined for Iraq, but postponed due to poor security conditions. The plan for the U.S.-supported laboratory was interalia to conduct research on diseases and insect infestations affecting date palms, especially pernicious "dabas" insect, which is a common problem in Oman. He asked why the project couldn't be established in Oman, since Oman's agricultural production in the Jebel Akthar and Batinah regions closely mirror that of northern Iraq and Basrah, respectively. Findings from research conducted at this proposed lab would benefit both Iraq and Oman, Khalili added.

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Promoting Women in Agriculture

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¶ 18. The Ambassador inquired about Ministry efforts to assist women in agricultural positions. Khalili responded that the Ministry was active in assisting Omani women in the field in terms of education. He also noted that the Ministry was instituting programs to provide women with cows, honeybees, chickens, and goats, along with the necessary training to produce goods from those animals.

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Fisheries Promotion an Expensive Effort

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¶ 19. Khalili also highlighted the Ministry's interest in

augmenting its commercial fisheries sector. Under the government's current five-year plan, emphasis has been placed on improving infrastructure and encouraging private sector participation in order to achieve 5% yearly growth targets. Khalili commented that the Ministry was moving forward on promoting fish production through the construction of three ports at Seeb, Suweiq, and Mirbat; however, costs were impeding progress. Khalili remarked that the bids for the three projects have been more than double what was budgeted for construction. The Minister faults the excessive cost estimates for the delay, but stated that he would go back to the Ministry of National Economy for a supplement to what had already been budgeted for the ports.

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Action Request  
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¶10. Per the Minister's suggestion, Embassy requests Department, DOD and USDA assistance in confirming the reported offer of a U.S.-built agricultural research lab/station in Iraq and evaluating whether temporarily relocating the proposed Iraq research laboratory to Oman would be feasible, given the interest of Oman in hosting the facility, and the synergies that would accrue to the region as a result of the laboratory's work.

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